

MKE selects GPs for the 'New Growth Engine Investment Fund'

April 8, 2011

On April 7, Korea's Ministry of Knowledge Economy (MKE) announced the results of the latest round of the "New Growth Engine Investment Fund", allocating commitments totaling 50 billion won.

Through the Korea Institute for Advancement of Technology (KIAT) the MKE will invest 20 billion won each into a 'Global Fund' and a 'Regional Fund' respectively, along with a 10 billion won commitment to an R&BD fund. In total the three funds hope to raise 280 billion won.

To manage the 'Global Fund' the MKE has selected a consortium of Samho Green Investment, a Korean clean growth specialized VC, and 360ip of the US, a subsidiary of Batelle Research Institute.

The consortium is targeting a close of 110 billion won, with around half that amount to be raised from overseas limited partners. It is believed RUSSNANO, a Russian state-run corporation, and Singapore's EDB will contribute to the fund.

A consortium of Industrial Bank of Korea (IBK) and Korean VC Benex Investment were selected to manage the 'Regional Fund' which has a target size of 122 billion won. They will be joined by several provincial governments, including Kyungbuk and Ulsan City, with the fund targeting local companies with new technologies.

In addition, the MKE selected L&S Venture Capital as the fund manager for an 'R&BD Fund' which is targeting a 50 billion won close. Of this amount the GP is seeking to attract 5 billion won from overseas investors.

KIAT stated that the launch of the three funds will be complete in September.

Source: translated from The Bell